

OUT 08685

~~SECRET~~

DISTRIBUTION 1. HOUSTON

2. WARNER

3. [REDACTED]

4. KIRKPATRICK

5. HELMS

25X1

Executive [REDACTED]

62-682

SECRET

25X1 OPIM [REDACTED] CITE [REDACTED]

25X1

~~PERSONAL EYES ONLY ABSOLUTELY NO DISTRIBUTION~~

OPERATIONAL IMMEDIATE

25X1 TO: [REDACTED] FROM: HOUSTON

REF: DIR 38447 CIN 95644)

1. SENATOR CLARK OPENED SAYING HE WAS APPLYING CRITERIA OF ABILITY, INTEGRITY, EXPERIENCE, JUDGMENT, AND CONFLICT OF INTEREST. NO QUESTION ABILITY, INTEGRITY. BELIEVE INSUFFICIENT EXPERIENCE. QUESTIONED JUDGMENT ON BASIS NOMINEE'S PRIOR POSITION ON VARIOUS NOT CLEARLY IDENTIFIED INTERNATIONAL MATTERS. FELT SERIOUS QUESTION LEGAL CONFLICT OF INTEREST AND ADDITIONAL SERIOUS QUESTION CONFLICT ARISING OUT OF CAL STANDARD HOLDINGS AND RESULTING IMPLICATIONS OF OIL COMPANY FOREIGN INTERESTS AFFECTING NOMINEE'S OBJECTIVITY. MCCARTHY AND PELL BRIEFLY ASSOCIATED THEMSELVES WITH CLARK. UNDERLYING THIS POSITION WAS ATTACK ON AGENCY COVERT ACTIVITIES AND LACK OF CONGRESSIONAL SUPERVISION.

2. SYMINGTON RESPONDED WITH GOOD PREPARED STATEMENT, PARTICULARLY ON CONFLICT-OF-INTEREST POSITION, PUTTING OUR OPINION AND CONCURRENCE JUSTICE IN RECORD. MADE STRONG POINT THAT SINCE NOMINEE HAD SUBMITTED FINANCIAL HOLDINGS TO COMMITTEE, WHICH FOUND THEM ACCEPTABLE, ANY QUESTION AS TO RETENTION OF HOLDINGS WOULD BE BETWEEN COMMITTEE AND INDIVIDUAL MEMBERS OF SENATE AND COULD NOT REFLECT ON NOMINEE. MANSFIELD SHORT STATEMENT, STRONG SUPPORT. DIRKSEN LIKEWISE.

3. SENATOR CASE RAISED OLD POINTS WORLD WAR II PROFITS AND ABSENCE OF RENEGOTIATION AND STRESSED FOREIGN FLAG OPERATIONS OF SHIPPING COMPANIES IN ORDER TO QUESTION OBJECTIVITY OF NOMINEE. STATED DID NOT KNOW HOW HE WOULD VOTE. BARTLETT REFERRED AGAIN TO AMERICAN OIL COMPANY ACTIVITIES WITH MIDDLE EAST GOVERNMENTS RAISING QUESTION OBJECTIVITY AND STATED HE DID NOT KNOW HOW HE WOULD VOTE.

4. CLARK SAID HAD NO DOUBT OF CONFIRMATION AND WOULD HIMSELF VOTE FOR NOMINEE FOR SEC DEF OR OTHER HIGH POSITION BUT DID NOT CONSIDER QUALIFIED FOR DCI. CLARK VOTE DEFINITELY NO; PELL PROBABLY NO.

5. VARIOUS POINTS DEBATED YESTERDAY AND REPORTED REF REPEATED TODAY. SENATE ATTENDANCE LIGHT.

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